

A RESOLUTION BY

COUNCILMEMBER CEASAR C. MITCHELL

**A RESOLUTION TO APPOINT MR. FRED WILLIAMS TO
THE CITY OF ATLANTA AUDIT COMMITTEE; AND FOR
OTHER PURPOSES.**

WHEREAS, Section 2-604 of the City Charter establishes an audit committee of five voting members, including the Mayor or the Mayor's appointee, the President of City Council or the President's appointee, and three at-large members appointed by the entire City Council; and

WHEREAS, Section 2-604 also requires that the three at-large members shall be residents of the City of Atlanta with expertise in auditing, preferably internal or management auditing, and shall be either a certified public accountant, certified internal auditor, or certified management auditor; and

WHEREAS, Mr. Fred Williams meets these qualifications and brings valuable experience in accounting, internal auditing, and external auditing to the City; and

WHEREAS, the audit committee has made significant progress in establishing an independent internal audit function and overseeing the City's external financial audit, thereby contributing to the City's financial integrity, efficient and effective operation, and accountability to the public; and

WHEREAS, appointment to the audit committee of Mr. Fred Williams to a three-year term as an at-large member serves the best interest of the City Council and the City of Atlanta.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF ATLANTA, GEORGIA:**

Section 1. That Mr. Fred Williams is hereby appointed by the City Council as its at-large member of the audit committee for a three-year term, effective upon adoption.

Section 2. That all resolutions or parts of resolutions in conflict herewith are hereby repealed.

Fred Williams, MBA, CPA, FLMI

Position	Proprietor, Fred Williams, CPA
Education	Morris Brown College, Atlanta, Georgia Bachelor of Arts Degree, Cum Laude, June, 1969 Harvard University, Cambridge, Massachusetts Master in Business Administration Degree, June, 1971
Experience	Extensive financial, accounting, auditing and taxation experience in the Insurance industry and public accounting
Professional History	Fred Williams, CPA – April, 1991 to date Atlanta Life Insurance Company, Atlanta, Georgia Vice President and Treasurer, 1974 – 1991 W.E. Richardson, CPA, Atlanta, Georgia Senior Accountant, 1972 – 1974 Touche Ross & Company, Atlanta, Georgia Audit Staff Assistant, 1971 – 1972
Professional Certification	C.P.A., State of Georgia F.L.M.I., Life Office Management Association
Professional Affiliations	Member, American Institute of Certified Public Accountants Member, Georgia Society of Certified Public Accountants Member, FLMI Society of Atlanta
Civic Activities	Sadie G. Mays Memorial Nursing Home, Treasurer, Board Member and Chairman of Finance Committee United Way of Metropolitan Atlanta, Inc., past Vice President and Treasurer and Board Member

City of Atlanta Audit Committee

The Audit Committee was established by Section 2-604 of the 1996 City Charter, and its first members were appointed in May 1999. The Committee's primary responsibilities are to oversee the City's internal audit function and the City's annual external financial audit.

The Audit Committee has five members: the Mayor and City Council President or their appointees, and three members appointed by the entire City Council. Requirements for the three citizen members are as follows: residency in the City of Atlanta, expertise in auditing, and an accounting or audit certification. The citizen members serve staggered three-year terms.

The committee must meet at least quarterly, and currently meets bimonthly on the second Tuesday of odd-numbered months. Citizen members receive no compensation except a \$50 fee per meeting. They are subject to the same financial disclosure and other requirements of the City's code of ethics as appointed members of City boards and commissions.

Because the Audit Committee is designated as a management committee and not a board or commission, its meetings are not subject to open meeting requirements. Typically the committee hears from the external and internal audit staff, and sometimes other City staff, about audits and investigations that are planned or in progress; provides technical advice and oversight on these projects, and approves the release of completed work. The committee also reviews the city internal auditor's office budget, annual audit plan, and performance.

The three current citizen members of the Committee are Wayne Woody (chair), Henry Kelly (vice chair), and Dr. Johnnie Clark. All were appointed in 1999 and were reappointed in April 2003. Because of the time it took to recruit, appoint, and confirm a City Internal Auditor, the committee members' staggered terms did not take effect until the 2003 reappointments, at which time Dr. Clark requested to serve the one-year term.

CHAPTER 6. CITY INTERNAL AUDITOR

Section 2-601. Selection; removal.

(a) There is hereby created the office of city internal auditor. The city internal auditor must be a certified internal auditor or a certified public accountant, demonstrating at least ten years' experience in public financial and fiscal practices, performance and financial auditing, and municipal accounting. The city internal auditor shall be appointed by a majority of the members of the audit committee, subject to confirmation by a majority of the council, for a period not to exceed six years. Removal of the city internal auditor from office before the expiration of the designated term shall be for cause by a vote of two-thirds of the members of city council.

(b) The city internal auditor need not be a resident of the city at the time of his or her appointment, but he or she shall reside in the city within six months of such appointment and continue to reside therein throughout such appointment.

(c) The city internal auditor shall not be involved in partisan political activities or the political affairs of the city.

(1996 Ga. L. (Act No. 1019), p. 4469)

Section 2-602. Appointment of assistance and employees.

(a) Within the budget approval process and established personnel policies for all departments, the city internal auditor shall have the power to appoint, employ, and remove such assistants, employees, and personnel as he or she may deem necessary for the efficient and effective administration of the office. The present employees in the division of internal auditing of the finance department are hereby transferred to the city internal auditor's office and shall serve such assistants and employees to the city internal auditor as provided herein.

(b) Professional employees employed in this office shall serve in unclassified positions. The city internal auditor shall appoint such other employees subject to the civil service rules, and such employees shall be within the civil service system of the city.

(c) Neither the members of the council, the president of the council, nor the mayor shall in any manner dictate the appointment or removal of any such officer or employee whom the auditor is empowered to appoint.

(1996 Ga. L. (Act No. 1019), p. 4469)

Section 2-603. Powers and duties.

The city internal auditor and city internal auditor's office shall be charged with the following duties and responsibilities:

(1) The conduct performance and financial audits of all departments, offices, boards, activities, and agencies of the city in order to independently determine whether:

a. Activities and programs being implemented have been authorized by the council, state law, or applicable federal law or regulations and are being conducted and funds expended in compliance with applicable laws;

b. The department, office, or agency is acquiring, managing, protecting, and using its resources, including public funds, personnel, property, equipment, and space, economically, efficiently, and effectively and in a manner consistent with the objectives intended by the authorizing entity or enabling legislation;

c. The organization, programs, activities, functions, or policies are effective, including the identification of any causes of inefficiencies or uneconomical practices, such as inadequacies in management information systems, internal and administrative procedures, organization structure, use of resources, allocation of personnel, purchasing policies, and equipment;

d. The desired result or benefits are being achieved;

e. Financial and other reports are being provided that disclose fairly, accurately, and fully all information that is required by law, that is necessary to ascertain the nature and scope of programs and activities, and that is necessary to establish a proper basis for evaluating the results of programs and activities including the collection of, accounting for, and depositing of revenues and other resources;

f. Management has established adequate operating and administrative procedures and practices, systems, or accounting internal control systems and internal management controls; and

g. Indications of fraud, or abuse or illegal acts are present.

(2) To submit at the beginning of each fiscal year an audit schedule to the audit committee for review and comment. The schedule shall include the departments, offices, boards, activities, subcontractors, and agencies subject to audit for the period. This schedule may be amended during the period after review by the audit committee. Additionally, the city auditor may initiate and conduct any other audits deemed necessary;

(3) To submit an annual report to the council and mayor indicating audits completed, major findings, corrective actions taken by administrative managers, and significant findings which have not been fully addressed by management;

(4) To perform such other duties and responsibilities as provided for by this Charter or ordinance.

(1996 Ga. L. (Act No. 1019), p. 4469)

Section 2-604. Audit committee; established; powers and duties generally; compensation.

(a) To ensure independence of the audit function, an audit committee is hereby established. The audit committee is a management committee and not a public board, commission, or committee as specified in article 3 herein. The audit committee shall be comprised of five voting members who shall include the mayor or mayor's appointee, the president of the council or the president's appointee, and three at-large members appointed by the entire city council. The three at-large members shall be residents of the city with expertise in auditing, preferably internal or management auditing, and shall be either a certified public accountant, certified internal auditor, or certified management auditor. Of the three at-large members initially appointed, one member shall be appointed for a term expiring on January 31, 1998; one member shall be appointed for a term expiring on January 31, 1999; and one member shall be appointed for a term expiring on January 31, 2000. Thereafter, members shall be appointed for three-year terms. Members of the committee shall select a chairperson from among its members yearly.

(b) The audit committee shall consult with the city internal auditor regarding technical issues and work to assure maximum coordination between the work of the city auditor's office and the needs of the council, the mayor, and departments and the coordination of external audit efforts.

(c) The audit committee shall meet as needed to perform its duties but shall not meet less than once quarterly and shall be responsible for:

(1) Providing general direction to the internal audit function by reviewing the internal auditor's annual audit plan and any proposed amendments thereto and submitting the plan and the committee's recommendations to the council;

(2) Reviewing and approving internal audit reports before the final audit report is issued;

(3) Sending copies of draft and final internal audit reports to the mayor, president of the council, and members of the council;

(4) Performing an evaluation of the city internal auditor annually and reporting the results of the evaluation and effectiveness of the audit function annually to the council;

(5) Providing oversight of the external audit efforts and coverage; and

(6) Performing such other duties as provided for by an ordinance of the council.

(d) Each member of the audit committee as established by section 2-604 of the Charter of the City of Atlanta who is not an elected official or employee of the City of Atlanta shall be paid \$50.00 as compensation for each meeting of the board the member attends, but in no event shall the total amount paid to any member exceed the sum of \$500.00 in any one calendar year.

(1996 Ga. L. (Act No. 1019), p. 4469; Ord. No. 1999-40, § 1, 4-19-99)

Section 2-605. Access to records and property.

(a) All city officers and employees shall allow the city internal auditor immediate access to any and all books, records, documents, and other requested information, including automated data, pertaining to the business of the city and within their custody regarding powers, duties, activities, organization, property, financial transactions, contracts, and methods of business required to conduct an audit or other official duties. In addition, such officers and employees shall provide access for the auditor to inspect all property, equipment, and facilities within their custody. Further, all contracts with outside contractors and subcontractors shall provide for the city auditor's access to all financial and performance-related records, property, and equipment purchased in whole or in part with city funds and facilities.

(b) The city internal auditor shall not publicly disclose any information received during an audit that is considered confidential by nature by any local, state, or federal law or regulation.

- (c) Any reports issued by the internal auditor shall be made available for public inspection or copying at a reasonable cost.

(1996 Ga. L. (Act No. 1019), p. 4469)

Section 2-606. Quality assurance reviews.

(a) The audit activities of the city internal auditor's office shall be subject to a quality review at least every three years by a professional, nonpartisan objective group utilizing guidelines endorsed by the National Association of Local Government Auditors or the State Auditors' Association of the United States General Accounting Office. A copy of the written report of the independent review shall be furnished to the council, president of the council, mayor, and members of the audit committee and made available to the public.

(b) The quality review shall determine compliance with generally accepted governmental auditing standards and the quality of audit effort and reporting, including but not limited to staff qualifications, due professional care, and quality assurance; fieldwork standards such as planning, supervision, and audit evidence; and reporting standards such as report content, presentation, and timeliness.

(c) The city shall reimburse travel and living expenses for the quality review team from funds budgeted in the city internal auditor's budget or other in-kind support.

(1996 Ga. L. (Act No. 1019), p. 4469)

Section 2-607. Funding of auditor's office.

The council shall provide funds necessary for the facilities, equipment, and staffing of the city internal auditor's office to carry out the responsibilities specified herein and by ordinance.

(1996 Ga. L. (Act No. 1019), p. 4469)

Section 2-608. Special audits.

The president of the council or members of council may request the city auditor to perform special audits or assignments of a limited scope intended to determine the accuracy of information provided to council, costs and consequences of recommendations made to the council, and other information concerning the performance of departments, offices, or agencies of the city. After consultation with the audit committee, a special audit requested by the president of the council or members of the council may become an amendment to the annual audit schedule.

(1996 Ga. L. (Act No. 1019), p. 4469)

CHAPTER 7. ELECTED OFFICIALS COMPENSATION COMMISSION

Section 2-701. Created.

DEPARTMENTAL AUTHORIZATION

RECOMMENDED

CHIEF FINANCIAL OFFICER